

## Message Text

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PAGE 01 STATE 134246  
ORIGIN EUR-12

INFO OCT-01 ISO-00 EB-07 COME-00 INT-05 L-03 SP-02  
STR-04 CIAE-00 INR-07 NSAE-00 TRSE-00 DODE-00  
DOTE-00 FMC-01 CG-00 DLOS-09 OES-07 /058 R

DRAFTED BY EUR/SOV :JTREICHEL:EUR/CAN:DBLAKEMORE:KR  
APPROVED BY EUR/SOV :MGARRISON  
EBORF:MR. MARTIN  
COMMERCE/BEWT:VZABIKA  
EUR/SOV:WEDGAR  
DESIRED DISTRIBUTION  
BUREAU OF MINES-RICHARD SINGLETON: MARITIME ADMIN-R. BRUCE CARLTON  
-----100703Z 012354 /17  
R 092326Z JUN 77  
FM SECSTATE WASHDC  
TO AMEMBASSY MOSCOW  
INFO AMCONSUL LENINGRAD  
AMEMBASSY OTTAWA

C O N F I D E N T I A L STATE 134246

OTTAWA PLEASE PASS WINNIPEG

E.O. 11652: GDS

TAGS: EWT, EWWT, ETRD, UR, US

SUBJECT: SOVIET POTASH SHIPMENTS

REF: MOSCOW 7503

1. DEPARTMENT'S QUERY CONCERNING POSSIBLE SOVIET POTASH SHIPMENTS TO US WAS PROMPTED BY QUESTIONS OF US FIRM, IMC, CONCERNING DOMESTIC SOVIET TRANSPORTATION COSTS OF POTASH. BEYOND THAT, DEPARTMENT AND COMMERCE DEPARTMENT HAVE CONTINUING INTEREST IN COMMERCIAL TRANSACTIONS BETWEEN THE US  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 134246

AND USSR, ESPECIALLY THOSE RELATING TO THE OCCIDENTAL FERTILIZER PROJECT. RECENT INFORMATION ON OCCIDENTAL PROJECT HAD TENDED TO FOCUS ON AMMONIA SHIPMENTS AND DATA ON POTENTIAL POTASH SHIPMENTS SHED ADDITIONAL LIGHT ON THE DIMENSIONS OF THE PROJECT. WE NOTE THAT TEST SHIPMENTS OF POTASH HAVE APPARENTLY REVEALED SERIOUS QUALITY PROBLEMS WHICH DO NOT MAKE THE SOVIET POTASH ATTRACTIVE TO THE US

MARKET. THESE PROBLEMS WOULD PRESUMABLY HAVE TO BE SOLVED BEFORE LARGE-SCALE SHIPMENTS OF POTASH CONTEMPLATED UNDER THE OCCIDENTAL DEAL COULD BEGIN.

2. MOREOVER, EVIDENCE OF SOVIET POTASH SHIPMENTS IS A MATTER OF INTEREST TO THE USG AS POSSIBLE ALTERNATIVE TO SASKATCHEWAN PRODUCERS WHO CURRENTLY SUPPLY OVER HALF OF US POTASH NEEDS. DESPITE ACTIONS BY SASKATCHEWAN GOVERNMENT TO BUY INTO INDUSTRY, THERE HAS BEEN NO HINT THAT THE PROVINCE SEEKS A DOMINANT POSITION IN THE INDUSTRY IN ORDER TO MANIPULATE THE MARKET. EXISTENCE OF ALTERNATIVE SOURCES OF POTASH WOULD KEEP THIS POSSIBILITY REMOTE.

3. DEPARTMENT WOULD LIKE TO EMPHASIZE ADDITIONALLY THAT NO PROPRIETARY OCCIDENTAL INFORMATION WAS PASSED TO IMC. IT WAS LATTER FIRM, IN FACT, WHICH CONFIRMED SHIPMENT OF POTASH TO DEPARTMENT, INCLUDING PORT OF UNLOADING. FIGURES FOR FUTURE ANNUAL SHIPMENTS OF SOVIET POTASH TO US WERE GIVEN COMMERCE BY OCCIDENTAL. VANCE

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MARINE TRANSPORTATION, POTASSIUM, COST ESTIMATES  
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**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** JTREICHEL:EUR/CAN:DBLAKEMORE:KR  
**Enclosure:** n/a  
**Executive Order:** GS  
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**Message ID:** 7710ee7f-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN EUR  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Reference:** 77 MOSCOW 7503  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
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**Subject:** SOVIET POTASH SHIPMENTS  
**TAGS:** EEWT, EWWT, ETRD, UR, US  
**To:** MOSCOW  
**Type:** TE  
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**Review Markings:**  
Margaret P. Grafeld  
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US Department of State  
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22 May 2009  
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